State of Delaware - FY22 Budget										
s probable that the COVID-19 pandemic will have an impact on health care costs. In performing this analysis to develop health care cost estimates for GHIP, e have not explicitly reflected adjustments due to the impact of COVID-19. Due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.										
gust 2021										

WillisTowersWatson I.I'I'I.I

Proprietary and Confidential

State of Delaware

FY22 Budget¹ August 2021

	Estimated FY 2022						
	as of August 2021 ¹						
Balance Forward ²	\$	152,332,231					
0 " P							
Operating Revenues							
Premium Contributions							
Highmark	S	657,861,819	64.85%				
Aetna	\$	183,917,283	18.13%				
Total Premium Contributions	\$	841,779,102					
Other Revenues							
Medicare Retiree Prescription Subsidy Program (EGWP) ³		224 522	0.000				
Federal Reinsurance ³	S	226,733	0.02%				
	\$	17,509,886	1.73%				
Prescription Drug Rebates - Commercial ⁷	\$	58,686,197	5.78%				
Prescription Drug Rebates - EGWP ⁷	\$	37,096,135	3.66%				
Prescription True Up/Yr End Recon Pymts ⁸	\$	8,378,267	0.83%				
Medicare Part D - Coverage Gap Discount ³	\$	24,707,285	2.44%				
Participating Group Fees ⁴	S	6,116,759	0.60%				
Other Revenues ⁹	S	20,000,000	1.97%				
Total Other Revenues	\$	172,721,262					
Total Operating Revenues	\$	1,014,500,364					
Operating Expenses							
Operating Expenses	-						
Claims ⁵							
Hiehmark	S	541,622,655	49.71%				
Aetna	S	172,711,174	15.85%				
CVS (non-Plan D)	S	178,505,123	16.38%				
Express Scripts/CVS (Plan D)	\$	152,131,306	13.96%				
Total Claims	\$	1,044,970,259					
Other Expenses							
Program Fees and Costs (Vendor ASO Fees)	\$	38,525,171	3.54%				
Office Expenses Employee Assistance	S	3,104,039 403,179	0.28% 0.04%				
Data Warehouse	S	651,987	0.06%				
Consultant Fees	S	1,500,000	0.14%				
COBRA Fees	S	79,439	0.01%				
ACA Fees	S	326,469	0.03%				
Total Other Expenses	S	44,590,284					
Total Operating Expenses	\$	1,089,560,543					
	_						
Net Income	\$	(75,060,179)					
Fund Equity Balance	s	77,272,052					
Fund Equity Balance	9	11,212,032	Target				
Claim Liability	S	61,000,000	\$ 61,000,000				
Minimum Reserve	S	24,300,000					
		,	, ,				
GHIP Surplus (After Reserves)	\$	(8,027,948)					
WTW Budget (\$M) ⁶	\$	915.0					
Average Members	1	130,427	7/21 01 12				

Based on claims experience for the period 7/1/2019 - 6/30/2021 (weighted 35% earlier / 65% later); FY20 dar FY21 QI claims excluded as claim levels not indicative of future experience due to volume of COVID-19 care deferral; headcounts reflect FY22 QE results with 1% assumed annual growth during FY22.5% medical and 8% Rst trend; EGWP revenues and prescription drug better based some the period revenues the paid

- 2 Balance Forward reflects actual balance as of June 2021 Fund Equity Report
- 3 EGWP revenue reflects actual revenues received through June 2021; remaining revenues through CY22 based on projected PMPM payments provided by ESI
- 4 Participating Group Fees shown for FY22 are estimated based on FY21 fees and assumed FY22 headcounts
- 5 FY22 projected claims reflect pharmacy contract savings as a result of PBM award to CVS Health
- 6 WTW Budget represents the FY22 projected expenses based on assumptions approved by the SEBC, updated with claims and enrollment data through June 2021; WTW Budget equals total operating expenses, less ACA and consultant fees, less total other revenues
- 7 FY22 rebates based on when rebates will be received by GHIP; reflects current ESI contractual rebates expected to be paid through December 2021; new CVS Health contractual rebates assumed to be received with 6-month payment lag, beginning in FY22 Q3; due to payment lag, no rebates for EGWP plan under CVS Health contract expected to be received in FY22
- 8 Reflects CY20 federal reinsurance true-up payment expected to be received in January 2022 9 Reflects \$20m supplemental bill funding; assumes payment received in July 2021
- Note: It is evident that the COVID-19 panderies will have an impact on health care costs. We have used available information and reasonable estimation techniques to develop health care cost estimates for the CHIP that reflect the impact of COVID-19. However due to the high degree of uncertainty associated with this panderies, results may avay from the estimates provided.

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Operating Revenues	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>TOTAL</u>
Premium Contributions													
Highmark	\$ 54,617,427		\$ 54,617,427		\$ 54,753,462	\$ 54,753,462 \$	54,889,835	\$ 54,889,835	\$ 54,889,835	55,026,548	\$ 55,026,548	\$ 55,026,548	\$ 657,861,819
Aetna	\$ 15,269,299	\$ 15,269,299	\$ 15,269,299	\$ 15,307,330	\$ 15,307,330	\$ 15,307,330 \$	15,345,456	\$ 15,345,456	\$ 15,345,456 \$	15,383,676	\$ 15,383,676		
Total Premium Contributions	\$ 69,886,727	\$ 69,886,727	\$ 69,886,727	\$ 70,060,792	\$ 70,060,792	\$ 70,060,792 \$	70,235,291	\$ 70,235,291	\$ 70,235,291	70,410,225	\$ 70,410,225	\$ 70,410,225	\$ 841,779,102
04													
Other Revenues	\$ 37.605												
Medicare Retiree Prescription Subsidy Program (EGWP) ²	Ψ 37,033	\$ 37,695	\$ 37,695	\$ 37,883	\$ 37,883	\$ 37,883 \$		\$ -	\$ - 3	-	\$ -	\$ -	\$ 226,733
Federal Reinsurance ²	\$ 1,328,077	\$ 1,328,077	\$ 1,328,077	\$ 1,334,701	\$ 1,334,701	\$ 1,334,701 \$	1,582,978	\$ 1,582,978	\$ 1,582,978	1,590,873	\$ 1,590,873	\$ 1,590,873	\$ 17,509,886
Prescription Drug Rebates - Commercial ⁵	\$ -	\$ 10,920,566	\$ -	\$ -	\$ 16,773,941	s - s		\$ 15,204,132		-	\$ 15,787,559	\$ -	\$ 58,686,197
Prescription Drug Rebates - EGWP ⁵	\$ -	\$ 7,674,936	\$ -	\$ -	\$ 9,047,757	\$ - \$	-	\$ 7,783,856	\$ - 5	-	\$ 12,589,586	\$ -	
Prescription True Up / Yr End Recon Pymts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - \$	8,378,267	\$ -	\$ - :	\$ -	\$ -	\$ -	\$ 8,378,267
Medicare Part D - Coverage Gap Discount ²	\$ 4,211,723	\$ -	\$ -	\$ -	\$ 6,073,222	\$ - \$	6,408,073	\$ -	\$ - 5	8,014,267	\$ -	\$ -	\$ 24,707,285
Participating Group Fees ³	\$ 507.829	\$ 507.829	\$ 507.829	\$ 509.094	\$ 509.094	\$ 509.094 \$	510.362	\$ 510,362	\$ 510.362 \$	511.633	\$ 511,633	\$ 511.633	\$ 6.116.759
Other Revenues ⁷	\$ 20,000,000	s -	s -	s -	S -	s - s		s -	S - 5		S -	S -	\$ 20,000,000
Total Other Revenues	\$ 26,085,324	\$ 20,469,103	\$ 1.873.601	\$ 1.881.678	\$ 33,776,598	\$ 1,881,678 \$	16,879,681	\$ 25,081,328	\$ 2.093.340 \$	10.116.774	\$ 30,479,651	\$ 2,102,507	\$ 172,721,262
		7	.,,,,,,,,,,	* .,,	* *************************************	* 1,551,515		7	-,,,,,,,,	,,	* **********	-110-100	
Total Operating Revenues	\$ 95,972,050	\$ 90,355,830	\$ 71,760,328	\$ 71,942,470	\$ 103,837,390	\$ 71,942,470 \$	87,114,972	\$ 95,316,619	\$ 72,328,631	80,526,998	\$ 100,889,876	\$ 72,512,731	\$ 1,014,500,364
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Operating Expenses	July	August	September	October	November	December	January	February	March	April	Mav	June	TOTAL
Claims ⁴													
Highmark	\$ 41,222,227	\$ 51,527,784	\$ 41,222,227	\$ 39,575,475	\$ 49,469,344	\$ 39,575,475 \$	41,569,734	\$ 41,569,734	\$ 51,962,167 \$	44,285,688	\$ 55,357,110	\$ 44,285,688	\$ 541,622,655
Aetna	\$ 16,431,041	\$ 13,144,833	\$ 13,144,833	\$ 15,774,651	\$ 12,619,721	\$ 12,619,721 \$	16,569,556	\$ 13,255,645	\$ 13,255,645	17,652,126	\$ 14,121,701	\$ 14,121,701	\$ 172,711,174
CVS (non-Plan D)	\$ 14,025,067	\$ 14,025,067	\$ 14,025,067	\$ 14,356,852	\$ 14,356,852	\$ 14,356,852 \$	15,482,452	\$ 15,482,452	\$ 15,482,452 \$	15,637,337	\$ 15,637,337	\$ 15,637,337	\$ 178,505,123
Express Scripts/CVS (Plan D)	\$ 11,490,796	\$ 11,490,796	\$ 11,490,796	\$ 11,762,628	\$ 17,643,943	\$ 11,762,628 \$	12,684,838	\$ 12,684,838	\$ 12,684,838 \$	12,811,735	\$ 12,811,735	\$ 12,811,735	\$ 152,131,306
Total Claims	\$ 83,169,132	\$ 90,188,480	\$ 79,882,923	\$ 81,469,606	\$ 94,089,859	\$ 78,314,676 \$	86,306,580	\$ 82,992,669	\$ 93,385,102 \$	90,386,887	\$ 97,927,883	\$ 86,856,461	\$ 1,044,970,259
Other Expenses													
Program Fees and Costs (Vendor ASO Fees)	\$ 3,198,462		\$ 3,198,462	\$ 3,206,428	\$ 3,206,428	\$ 3,206,428 \$		\$ 3,214,414		3,222,420	\$ 3,222,420	\$ 3,222,420	
Office Expenses	\$ 258,670		\$ 258,670					\$ 258,670			\$ 258,670		
Employee Assistance	\$ 33,598		\$ 33,598	\$ 33,598	\$ 33,598			\$ 33,598		33,598	\$ 33,598	\$ 33,598	\$ 403,179
Data Warehouse	\$ 54,332		\$ 54,332		\$ 54,332			\$ 54,332		54,332	\$ 54,332	\$ 54,332	\$ 651,987
Consultant Fees	\$ 125,000		\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000 \$		\$ 125,000		125,000	\$ 125,000	\$ 125,000	
COBRA Fees	\$ 6,620	\$ 6,620	\$ 6,620	\$ 6,620	\$ 6,620	\$ 6,620 \$	6,620	\$ 6,620	\$ 6,620 \$	6,620	\$ 6,620	\$ 6,620	\$ 79,439
ACA Fees	\$ 326,469	\$ -	5 -	\$ -	\$ -	\$ - \$		\$ -	\$ - 3		\$ -	\$ -	\$ 326,469 \$ 44.590,284
Total Other Expenses	\$ 4,003,151	\$ 3,676,682	\$ 3,676,682	\$ 3,684,648	\$ 3,684,648	\$ 3,684,648 \$	3,692,634	\$ 3,692,634	\$ 3,692,634	3,700,640	\$ 3,700,640	\$ 3,700,640	\$ 44,590,284
Total Operating Expenses	\$ 87.172.283	\$ 93.865.162	\$ 83.559.605	\$ 85.154.255	\$ 97,774,507	\$ 81,999,324 \$	89.999.214	\$ 86.685.303	\$ 97.077.736	94.087.527	\$ 101.628.524	\$ 90.557.102	\$ 1.089.560.543
Total Operating Expenses	\$ 01,112,203	\$ 93,000,102	\$ 63,339,603	\$ 65,154,255	\$ 91,114,501	\$ 61,999,324 \$	69,999,214	\$ 00,000,303	\$ 91,011,136 \$	94,007,527	\$ 101,020,324	\$ 90,557,102	\$ 1,069,560,543
Net Income	\$8,799,767	(\$3,509,332)	(\$11,799,278)	(\$13.211.785)	\$6.062.882	(\$10.056.855)	(\$2.884.243)	\$8.631.316	(\$24,749,105)	(\$13.560.529)	(\$738,648)	(\$18.044.371)	(\$75,060,179)
ITEL AIRCOINE	90,133,101	(\$3,003,332)	(\$11,133,210)	(\$13,211,700)	φυ,υυ2,002	(\$10,000,000)	(\$2,004,243)	90,031,310	(\$24,145,105)	(\$10,000,529)	(\$130,040)	(\$10,044,371)	(\$75,000,179)
Amount Carried Forward ⁶	¢ 450,000,004	\$ 161.131.999	\$ 157.622.667	\$ 145.823.389	\$ 132.611.604	\$ 138.674.487 \$	400 047 000	ê 40E 700 000	\$ 134.364.705	109.615.600	\$ 96.055.071	\$ 95.316.423	\$ 152,332,231
Amount Carried Forward	a 152,332,231	\$ 101,131,999	\$ 157,022,bb/	a 145,823,389	a 13∠,611,604	a 130,0/4,48/ \$	120,617,632	\$ 125,733,389	a 134,364,705 S	000,615,600	a 96,055,071	a 95,316,423	a 152,332,231
Fund Equity Balance	¢ 161 121 000	\$ 157,622,667	\$ 145,823,389	£ 122 £11 £0.4	\$ 138,674,487	\$ 128,617,632 \$	125 722 200	£ 124 264 70F	\$ 109,615,600	96.055.071	\$ 95,316,423	\$ 77.272.052	\$ 77,272,052
runu Equity Balance	φ 101,131,999	\$ 131,022,007	φ 140,023,309	φ 132,011,004	φ 130,074,407	φ 120,017,032 \$	120,733,309	φ 134,304,705	\$ 103,013,000	9 90,055,071	φ 33,310,423	φ 11,212,052	φ 11,212,032
GHIP Surplus (After Reserves)	\$75,831,999	\$72,322,667	\$60,523,389	\$47,311,604	\$53,374,487	\$43,317,632	\$40,433,389	\$49,064,705	\$24,315,600	\$10,755,071	\$10,016,423	(\$8,027,948)	(\$8,027,948)
onar surpius (Aiter Reserves)	ψ13,031,333	Ψ12,322,001	ψ00,J23,369	ψ 4 1,311,004	400,314,401	ψ+0,317,032	ψ+υ,433,303	\$ +3,004,703	φ 2 -7,313,000	ψ10,733,071	ψ10,010,423	(40,027,540)	(40,027,540)

¹ Based on claims experience for the period 7/1/2019 - 6/30/2021 (weighted 35% earlier / 65% later); FY20 Q4 and FY21 Q1 claims excluded as claim levels not indicative of future experience due to volume of COVID-19 care deferral; headcounts reflect FY22 OE results with 1% assumed annual growth during FY22; 5% medical and 8% Rx trend; EGWP revenues and prescription drug rebates based on the period revenues will be paid

Note: It is probable that the COVID-19 pandemic will have an impact on health care costs. In performing this analysis to develop the FY21 budget for GHIP, we have not explicitly reflected adjustments due to the impact of COVID-19. Due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.

² EGWP revenue reflects actual revenues received through June 2021; remaining revenues through CY22 based on projected PMPM payments provided by ESI

³ Participating Group Fees shown for FY22 are estimated based on FY21 fees and assumed FY22 headcounts

⁴ FY22 projected claims reflect pharmacy contract savingsas a result of PBM award to CVS Health

⁵ FY22 rebates based on when rebates will be received by GHIP; reflects current ESI contractual rebates expected to be paid through December 2021; new CVS Health contractual rebates assumed to be received with 6-month payment lag, beginning in FY22 Q3; due to payment lag, no rebates for EGWP plan under CVS Health contract expected to be received in FY22

⁶ Amount Carried Forward reflects actual balance as of June 2021 Fund Equity Report

Reflects \$20m supplemental bill funding; assumes payment received in July 2021

Operating Revenues		July	A	September	October	November	December	1	February	March	April	May	June	TOTAL
Operating Revenues		July	<u>August</u>	September	October	November	December	<u>January</u>	rebruary	<u>marcn</u>	Aprii	<u>may</u>	June	IUIAL
Premium Contributions														
Highmark	S	54.617.427	\$ 109.234.855	\$ 163.852.282	\$ 218.605.744	\$ 273,359,206	\$ 328,112,668	\$ 383,002,504	\$ 437,892,339	\$ 492,782,174 \$	547.808.723 \$	602.835.271	657.861.819	\$ 657,861,819
	Š	15,269,299	\$ 30,538,598	\$ 45.807.897	\$ 61.115.227		\$ 91,729,887	\$ 107.075.343	\$ 122,420,799	\$ 137,766,254 \$	153,149,931 \$	168,533,607	183.917.283	\$ 183,917,283
	Š	69.886,727	\$ 139,773,453	\$ 209,660,180	\$ 279,720,972		\$ 419.842.556	\$ 490,077,847	\$ 560,313,138	\$ 630,548,429 \$	700.958.653 \$	771,368,878	841,779,102	\$ 841,779,102
					, .,,						,,	12.2.1		
Other Revenues														
Medicare Retiree Prescription Subsidy Program (EGWP) ²	\$	37,695	\$ 75,390	\$ 113,084	\$ 150,967	\$ 188,850	\$ 226,733	\$ 226,733	\$ 226,733	\$ 226,733 \$	226,733 \$	226,733	226,733	\$ 226,733
Federal Reinsurance ²	S	1.328.077	\$ 2,656,154	\$ 3,984,231	\$ 5.318.931	\$ 6.653.632	\$ 7,988,333	\$ 9.571,311	\$ 11,154,289	\$ 12,737,266 \$	14.328.139 \$	15,919,013	17.509.886	\$ 17.509.886
Prescription Drug Rebates - Commercial ⁵	S	-	\$ 10,920,566	\$ 10.920.566	\$ 10,920,566	\$ 27.694.507	\$ 27.694.507	\$ 27,694,507	\$ 42,898,639	\$ 42,898,639 \$	42,898,639 \$	58,686,197	58,686,197	\$ 58,686,197
	S		\$ 7,674,936	\$ 7,674,936	\$ 7.674.936		\$ 16,722,693	\$ 16,722,693	\$ 24,506,549	\$ 24.506.549 \$	24.506.549 \$	37.096.135	37,096,135	\$ 37,096,135
	Š	-			\$		\$ -	\$ 8,378,267	\$ 8,378,267	\$ 8.378.267 \$	8.378.267 \$	8.378.267		\$ 8.378.267
	S	4.211.723						\$ 16,693,018	\$ 16,693,018	\$ 16.693.018 \$	24,707,285 \$	24,707,285		\$ 24,707,285
	ę	507.829	\$ 1.015.659		\$ 2.032.583	\$ 2.541.677		\$ 3,561,134	\$ 4.071.496	\$ 4.581.858 \$	5.093.492 \$	5,605,125		\$ 6,116,759
	S	20.000.000	\$ 20,000,000		\$ 20.000.000			\$ 20,000,000	\$ 20,000,000	\$ 20,000,000 \$	20.000.000 \$	20.000.000		\$ 20,000,000
	ş	26,085,324	\$ 20,000,000 \$ 46.554.427		\$ 20,000,000		\$ 85.967.982	\$ 20,000,000	\$ 20,000,000	\$ 130.022.330 \$	140.139.104 \$	170.618.755		\$ 20,000,000 \$ 172,721,262
Total Other Revenues	ş.	20,000,324	\$ 40,004,427	\$ 40,420,020	\$ 50,509,700	\$ 04,000,304	\$ 00,907,902	\$ 102,047,002	\$ 127,920,990	\$ 130,022,330 \$	140,139,104 \$	170,010,733	1/2,/21,202	\$ 172,721,202
Total Operating Revenues	\$	95,972,050	\$ 186,327,880	\$ 258.088.208	\$ 330.030.678	\$ 433.868.067	\$ 505.810.537	\$ 592,925,509	\$ 688,242,128	\$ 760.570.759 \$	841.097.757 \$	941.987.633	1.014.500.364	\$ 1.014.500.364
Total operating revenues	Ť	00,012,000	¥ 100,021,000	¥ 200,000,200	V 000,000,070	4 400,000,001	V 000,010,001	ψ 002,020,000	\$ 000,E4E,120	ψ 100,010,100 ψ	041,001,101	041,001,000	, 1,014,000,004	ų 1,014,000,004
Operating Expenses		July	August	September	October	November	December	January	February	March	April	Mav	June	TOTAL
operating expenses		2411	/ Manage	<u> </u>		HOTOMOG	December	Zunaut	I CDI MAI I	<u> </u>	AP.II		VALLE	IVIAE
Claims ⁴														
	S	41,222,227	\$ 92,750,012	\$ 133,972,239	\$ 173.547.714	\$ 223.017.059	\$ 262,592,534	\$ 304.162.268	\$ 345,732,002	\$ 397.694.169 \$	441.979.857 \$	497,336,967	541.622.655	\$ 541.622.655
	Š	16.431.041	\$ 29.575.874					\$ 100,304,356	\$ 113,560,001	\$ 126.815.646 \$	144.467.772 \$	158.589.473		\$ 172,711,174
Express Scripts (non-Plan D)	\$	14,025,067	\$ 28,050,134	\$ 42,075,201	\$ 56,432,053	\$ 70,788,904	\$ 85,145,756	\$ 100,628,208	\$ 116,110,660	\$ 131,593,112 \$	147,230,449 \$	162,867,786	178,505,123	\$ 178,505,123
Express Scripts (Plan D)	\$	11,490,796	\$ 22,981,592	\$ 34,472,388	\$ 46,235,016	\$ 63,878,959	\$ 75,641,587	\$ 88,326,425	\$ 101,011,262	\$ 113,696,100 \$	126,507,836 \$	139,319,571	152,131,306	\$ 152,131,306
Total Claims	\$	83,169,132	\$ 173,357,612	\$ 253,240,535	\$ 334,710,142	\$ 428,800,001	\$ 507,114,677	\$ 593,421,257	\$ 676,413,925	\$ 769,799,027 \$	860,185,914 \$	958,113,797	1,044,970,259	\$ 1,044,970,259
Other Expenses														
Program Fees and Costs (Vendor ASO Fees)	Ş	3,198,462	\$ 6,396,923					\$ 22,429,083	\$ 25,643,497	\$ 28,857,911 \$	32,080,331 \$	35,302,751		\$ 38,525,171
	\$	258,670	\$ 517,340				\$ 1,552,019	\$ 1,810,689	\$ 2,069,359	\$ 2,328,029 \$	2,586,699 \$	2,845,369		\$ 3,104,039
	\$	33,598 54,332	\$ 67,197 \$ 108,664		\$ 134,393 \$ 217.329	\$ 167,991 \$ 271,661	\$ 201,590 \$ 325,993	\$ 235,188 \$ 380,326	\$ 268,786 \$ 434,658	\$ 302,384 \$ \$ 488.990 \$	335,983 \$ 543.322 \$	369,581 S		\$ 403,179 \$ 651.987
	S	125.000	\$ 250,000					\$ 875,000	\$ 434,658	\$ 488,990 \$ \$ 1.125.000 \$	1,250,000 \$	1.375.000		\$ 1,500,000
	S	6,620	\$ 230,000 \$ 13,240		\$ 26,480			\$ 46.340	\$ 1,000,000	\$ 1,125,000 \$	66.199 \$	72.819		\$ 1,300,000
	S	326,469	\$ 326,469		\$ 326,469	\$ 326,469	\$ 326,469	\$ 326,469	\$ 326,469	\$ 326,469 \$	326,469 \$	326,469	326,469	\$ 326,469
	Š	4.003.151	\$ 7.679.833					\$ 26,103,094	\$ 29,795,728	\$ 33.488.363 \$	37.189.003 \$	40.889.644	44.590.284	\$ 44,590,284
Total Other Expenses	_	4,000,101	7,070,000	11,000,010	0,011,100	0,720,011	£2,110,100	ψ <u>L0,100,001</u>	20,100,120	ψ 00,100,000 ψ	στ,του,σου ψ	10,000,011	11,000,201	41,000,201
Total Operating Expenses	s	87.172.283	\$ 181,037,445	\$ 264,597,050	\$ 349.751.305	\$ 447,525,812	\$ 529.525.137	\$ 619,524,351	\$ 706,209,654	\$ 803,287,390 \$	897.374.917 \$	999,003,441	1.089.560.543	\$ 1.089.560.543
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Net Income	\$	8,799,767	\$ 5,290,435	\$ (6,508,842)	\$ (19,720,627) \$ (13,657,745)	\$ (23,714,599)	\$ (26,598,842)	\$ (17,967,526)	\$ (42,716,631) \$	(56,277,160) \$	(57,015,808)	(75,060,179)	\$ (75,060,179)
				(-)/-										. , , , , , , , ,
Amount Carried Forward ⁶	\$	152,332,231	\$ 152,332,231	\$ 152,332,231	\$ 152,332,231	\$ 152,332,231	\$ 152,332,231	\$ 152,332,231	\$ 152,332,231	\$ 152,332,231 \$	152,332,231 \$	152,332,231	152,332,231	\$ 152,332,231
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Fund Equity Balance	\$	161,131,999	\$ 157,622,667	\$ 145,823,389	\$ 132,611,604	\$ 138,674,487	\$ 128,617,632	\$ 125,733,389	\$ 134,364,705	\$ 109,615,600 \$	96,055,071 \$	95,316,423	77,272,052	\$ 77,272,052
		\$75.831.999	\$72,322,667	\$60,523,389	\$47,311,604	\$53,374,487	\$43,317,632	\$40,433,389	\$49,064,705	\$24,315,600	\$10.755.071	\$10.016.423	(\$8.027.948)	(\$8,027,948)

¹ Based on claims experience for the period 7/1/2019 - 6/30/2021 (weighted 35% earlier / 65% later); FY20 Q4 and FY21 Q1 claims excluded as claim levels not indicative of future experience due to volume of COVID-19 care deferral; headcounts reflect FY22 OE results with 1% assumed annual growth during FY22; 5% medical and 8% Rx trend; EGWP revenues and prescription drug rebates based on the period revenues will be paid

Reflects \$20m supplemental bill funding; assumes payment received in July 2021

Note: It is probable that the COVID-19 pandemic will have an impact on health care costs. In performing this analysis to develop the FY21 budget for GHIP, we have not explicitly reflected adjustments due to the impact of COVID-19. Due to the high degree of uncertainty associated with this pandemic, results may vary from the estimates provided.

² EGWP revenue reflects actual revenues received through June 2021; remaining revenues through CY22 based on projected PMPM payments provided by ESI

³ Participating Group Fees shown for FY22 are estimated based on FY21 fees and assumed FY22 headcounts

⁴ FY22 projected claims reflect pharmacy contract savingsas a result of PBM award to CVS Health

⁵ FY22 rehates based on when rebates will be received by GHIP; reflects current ESI contractual rebates expected to be paid through December 2021; new CVS Health contractual rebates assumed to be received with 6-month payment lag, beginning in FY22 Q3; due to payment lag, no rebates for EGWP plan under CVS Health contract expected to be received in FY22

⁶ Amount Carried Forward reflects actual balance as of June 2021 Fund Equity Report